FISCAL UPDATE Article

Fiscal Services Division October 1, 2019



Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

GOVERNOR'S FLOOD RECOVERY ADVISORY BOARD — WORKFORCE AND HOUSING WORKING GROUP

Meeting. The Workforce and Housing Working Group of the Governor's Flood Recovery Advisory Board met on September 25, 2019, in Glenwood, Iowa. The Workforce and Housing Working Group is one of six working groups within the Advisory Board and is being supported by Iowa Workforce Development (IWD).

Federal Disaster Relief. Members of the Working Group discussed the amount of federal disaster relief that has been provided through Federal Emergency Management Agency (FEMA) and the Federal Register Notice (FRN) that will be issued by the Department of Housing and Urban Development (HUD) awarding Community Development Block Grant Disaster Recovery Funds (CDBG-DR). The release of the FRN is expected by the end of October. In addition, Iowa Economic Development Authority (IEDA) is currently working with partner organizations around the State to make application to the federal Department of Commerce's Economic Development Administration (EDA) for a \$1.5 million comprehensive planning grant for disaster recovery efforts. The application is scheduled to be submitted this fall, and if the funds are awarded, planning work could begin in the first part of 2020.

Flood Recovery Fund. Members of the Working Group also discussed the use of moneys from the Flood Recovery Fund. In the last legislative session, \$15.0 million was appropriated to the Flood Recovery Fund. The Flood Mitigation Board recently issued the following awards:

- \$136,000—City of Fredonia for a drainage project
- \$940,000—City of Hamburg for buyout match
- \$6.4 million—City of Hamburg for a levee project
- \$2.1 million—City of Hornick for a berm project
- \$2.3 million—Mills County for buyout match
- \$3.2 million—City of Pacific Junction for buyout match

Resident Mortgage Support. Concern has been raised by multiple residents about dealing with their mortgage companies in regard to the residents' homes, which are potentially going through the buyout process. Foreclosure notices have been received by residents due to the end of the six-month period that was initially granted under a forbearance agreement at the time of disaster. Interim mortgage assistance was identified as an area of potential needed additional support, as was connecting residents with the lowa Mortgage Help Hotline to assist in continued negotiations until the buyout process is complete. In addition, some residents are receiving notices from insurance companies stating that the residents will no longer be covered, which creates additional cost for residents if they can only receive insurance coverage through their mortgage company.

Next Meeting. The next meeting of the Workforce and Housing Working Group has not been scheduled.

LSA Staff Contact: Lora Vargason (515.725.2249) lora.vargason@legis.iowa.gov

Ron Robinson (515.281.6256) ron.robinson@legis.iowa.gov Robin Madison (515.281.5270) robin.madison@legis.iowa.gov

1069861